



Federal Regulatory Affairs

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October 20, 2011

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

Re: *A National Broadband Plan for Our Future*, GN Docket No. 09-51; *Establishing Just and Reasonable Rates for Local Exchange Carriers*, WC Docket No. 07-135; *Developing a Unified Inter-carrier Compensation Regime*, CC Docket No. 01-92; *Connect America Fund*, WC Docket No. 10-90; *High Cost Universal Service Support*, WC Docket No. 05-337;

Dear Ms. Dortch:

On October 18, 2011, Kathleen Q. Abernathy, Chief Legal Officer and Executive Vice President, Regulatory and Government Affairs, Frontier Communications, spoke on the phone with Eddie Lazarus, Chief of Staff for Chairman Genachowski, and Zachary Katz, Chief Counsel and Senior Legal Advisor to Chairman Genachowski, to discuss the above-captioned proceedings.

Ms. Abernathy expressed Frontier's support for the America's Broadband Connectivity Plan ("ABC Plan") and Joint Framework filed in these dockets.¹ In addition, the parties discussed the time frame issues associated with adoption of the plan and the CenturyLink, Frontier, and Windstream prior proposal for an interim step that could be implemented in the context of a two-staged approach to reform.² Ms. Abernathy discussed that any broadband deployment obligations associated with an interim Universal Service reform proposal must have support commensurate with the real costs of such deployments, which can vary greatly between carriers. She emphasized that there is no single calculation of support that would allow for similar deployment across different carriers' footprints.

Ms. Abernathy also stated that the average cost associated with deploying broadband service to unserved customers across the Frontier footprint at speeds of 4 Mbps downstream and 768 kbps upstream would be approximately [REDACTED] per location passed. This estimate is Frontier's engineering team's best estimate based upon the substantial broadband deployment that Frontier has

¹ See Letter from Robert W. Quinn, Jr., AT&T; Steve Davis, CenturyLink; Michael T. Skrivan, FairPoint; Kathleen Q. Abernathy, Frontier; Kathleen Grillo, Verizon; and Michael D. Rhoda, Windstream; to Marlene H. Dortch, FCC, CC Docket Nos. 01-92, 99-200, 96-98, 99-68, 96-45; WC Docket Nos. 05-337, 07-135, 10-90, 03-109, 06-122, 04-36; GN Docket No. 09-51 (filed July 29, 2011).

² See Letter from Jennie B. Chandra, Windstream Communications, Inc., to Marlene H. Dortch, FCC, WC Docket No. 10-90 et al. (filed June 30, 2011).

REDACTED- FOR PUBLIC INSPECTION

already undertaken to a large part of its territory as a result of its transaction with Verizon.³ Frontier has already deployed broadband to more than 460,000 new locations since July 2010,⁴ giving Frontier's engineering team a wealth of experience in determining the cost of broadband deployment across its territories. This estimate assumes that the interim funding will only last for one year; if the interim funding extends beyond one year then Frontier's cost estimates will change to reflect that Frontier would then be deploying broadband to different areas than those which it currently contemplates. Further, this estimate considers those areas for deployment that approaches the high end of Frontier's cost curve; accordingly the average cost per location remains consistent across both the legacy Frontier territories as well as those acquired from Verizon.

Ms. Abernathy also advocated that recipients receiving support under the interim proposal should be given flexibility to improve their broadband networks in a manner that brings broadband to any areas that currently do not have Internet access that meets the Commission's standards of 4 Mbps/downstream. This determination could further affect Frontier's estimates of the average cost per location and potentially allow more locations to receive service at the Commission's desired throughput speeds. This flexibility should also include the ability to use support for middle-mile deployments.

Please feel free to contact me with any further questions.

Sincerely,

/s/

Michael D. Saperstein, Jr.
Director of Federal Regulatory Affairs
Frontier Communications
(203) 614-4702

cc: Eddie Lazarus
Zac Katz

³ See *in re*: Applications Filed by Frontier Communications Corporation and Verizon Communications Inc. for Assignment or Transfer of Control, WC Docket No. 09-95, *Memorandum Opinion and Order*, 25 FCC Rcd. 5972 (rel. May 21, 2010) ("*Frontier Merger Order*").

⁴ Press Release, Frontier Commc'ns, Frontier Communications Reports 2011 Second Quarter Results (Aug. 3, 2011) available at <http://phx.corporate-ir.net/phoenix.zhtml?c=66508&p=irol-newsArticle&ID=1592368&highlight=>.